REMARKS/ARGUMENTS

This Amendment is responsive to the Office Action mailed on February 16, 2010. In this Amendment, claims 21, 25, 32, and 35 are amended, claim 38 is canceled, and claims 43-48 are added so that claims 21-37, and 37-48 are pending. Support for the amendments can be found in the specification, including paragraphs 29 and 36. No new matter has been added. Applicants note that claim 33 was omitted in the previous Amendment and to maintain sequential claim numbering Applicants are indicating that claim 33 is "canceled."

Reconsideration of the rejections and allowance of the pending claims in light of these amendments and remarks is respectfully requested.

On May 13, 2010, Applicants' representatives and Examiner Lastra conducted an interview. The Applicants' representatives appreciate the Examiner's careful consideration of the arguments raised during the interview.

I. Claim Objections

Claim 38 was objected to under 37 CFR 1.75(c), as being of improper dependent form. Claim 38 has been canceled.

II. 35 U.S.C. 102(b)

Claims 21-23, 25-26, 28-29, 32-33, 35-36, 38-39, and 41-42 were rejected under 35 U.S.C. 102(b) as being anticipated by Fowler (US 2002/0026348). This rejection is traversed.

Anticipation has not been established, since all claim limitations are not taught or suggested by the cited art. Fowler fails to teach or suggest a system comprising, *inter alia*, "wherein the first pre-existing offline reward program is capable of running without being in contact with the host server computer, and wherein the second pre-existing offline reward program is capable of running without being in contact with the host server computer" as recited in independent claim 21. A somewhat similar limitation is in independent claim 32.

Fowler discloses an automated marketing system where merchants create and implement reward programs with the option of creating a combination reward program from individual reward programs. The system of Fowler then tracks the usage of the individual and

combination reward programs and provides analysis of the collected data. However, Fowler does not support offline reward programs, such as programs not defined within the system of Fowler and operating offline from the host server of Fowler. Also, Fowler cannot create a combination reward program based on individual reward programs that operate offline from the host server of Fowler.

It would also not have been obvious to modified Fowler to arrive at the claimed inventions, because doing so would have been contrary to the intended purpose of Fowler. If a proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984). Fowler relies on a centralized controller system to authenticate users and to access merchant matrix rules to calculate rewards. (Fowler ¶0017, ¶0023, Fig. 1) Moreover, the system of Fowler collects real-time data on customer usage to "permit merchants to dynamically alter and redesign marketing programs in real-time." (Fowler ¶0016) If one were to modify Fowler to include offline reward programs, one would not be able to permit merchants to authenticate users and permit merchants to dynamically alter and redesign marketing programs in real-time as required by Fowler. Thus, Fowler does not render the claims obvious.

Therefore, the claims are patentable over Fowler.

III. 5 U.S.C. 103(a)

A. Fowler and Ryan

Claims 24, 27, 34 and 37 were rejected under 35 U.S.C. 103(a) as being unpatentable over Fowler (US 2002/0026348) in view of Ryan (US 2005/0055272). This rejection is traversed.

Obviousness has not been established, since all claim limitations are not taught or suggested by the cited art. Dependent claim 27 recites, *inter alia*, "wherein the combination reward gives the consumer access to a special program earlier than another consumer that has not purchased the first product and the second product." Claim 37 claims a similar limitation.

At page 6 of the Office Action, the Examiner argues "Ryan teaches that it is old and well known in the promotion art to extend the expiration date of a reward." However, claim 27 provides *early* access to a promotion rather than an extension of an expiration date. Thus, Fowler in combination with Ryan does not disclose the above stated limitations and obviousness has not been established for claims 27 and 37.

Claims 24 and 34 are allowable because they depend from non-obvious independent claims 21 and 32, and because they recite additional limitations not disclosed in the prior art.

B. Fowler and Postrel

Claims 30, 31, and 40 were rejected under 35 U.S.C. 103(a) as being unpatentable over Fowler (US 2002/0026348) in view of Postrel (US 6,594,640). This rejection is traversed. Claims 30 and 31 are allowable because they depend from non-obvious independent claim 21, and because they recite additional limitations not disclosed in the prior art. Claim 40 is allowable because it depends from non-obvious independent claim 32, and because it recites additional limitations not disclosed in the prior art.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,

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Attachments
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